

2024 ECONOMIC REPORT

MISSOURI

ECONOMY OVERVIEW

DEPARTMENT OF
HIGHER EDUCATION &
WORKFORCE DEVELOPMENT

GROSS DOMESTIC PRODUCT (GDP)

Gross Domestic Product (GDP) is the broadest measure of economic activity. GDP measures the value of the final goods and services produced in a region without double counting the intermediate goods and services used up to produce them. Gross Domestic Product by State (GSP) is a synonym of GDP for states, and it measures the value-added from industries in that state for a particular period. In 2023, Missouri's real inflation-adjusted GDP was \$344.12 billion (in 2017 chained dollars), a 2.2 percent increase from 2022 to 2023. Nationally, inflation-adjusted GDP increased 2.5 percent over the same period. The GDP increase from 2022 to 2023 indicates the continuation of economic stability.

All eight neighboring states of Missouri experienced an increase in real GDP from 2022 to 2023. Oklahoma, Nebraska, Kansas, Kentucky, Tennessee, and Arkansas had percent increases greater than Missouri, while Illinois and Iowa had slower growth. The compound annual growth rate for GDP in Missouri for the last five years (2019-2023) was 1.8 percent.

Missouri grew at an annualized rate of 1.3 percent to equal \$42.09 billion in growth over the past 10 years, or a 13.9 percent GDP increase overall.

Several industry sectors experienced a positive GDP growth in the 10-year period from 2013 to 2023. The greatest compound annual growth rate in the past 10 years was in the *Professional and business services* industry at 3.8 percent. Other 10-year top trends included a compound annual growth rate in *Information* at 3.4 percent; *Retail trade* at 2.5 percent; *Educational services, health care, and social assistance* at 2.1 percent; and *Construction* at 1.9 percent.

In the past year, most industry sectors experienced a positive growth except *Agriculture, forestry, fishing and hunting* and *Wholesale trade*. The *Mining, quarrying, and oil and gas extraction* industry had the largest yearly growth at 18.1 percent. *Information* at 10.1

percent; *Retail trade* at 9.8 percent; *Utilities* at 7.2 percent; and *Arts, entertainment, recreation, accommodation, and food services* at 6.6 percent had the next largest positive growth. The largest negative yearly growth was in *Agriculture, forestry, fishing and hunting* at -5.8 percent.

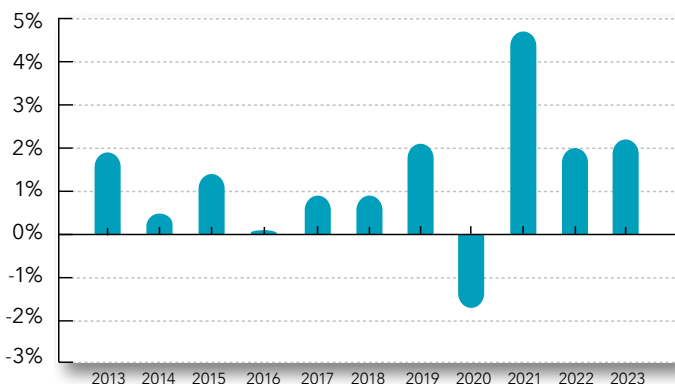
In 2013, Missouri produced \$264.73 billion in private goods and services-producing industries, whereas in 2023, Missouri produced \$308.18 billion in private goods and services-producing industries. In 2023, services-providing industries contributed 73 percent of GDP, goods-producing industries contributed 17 percent, and the government sector contributed 10 percent to Missouri's GDP. In the U.S. in 2023, services-producing industries contributed 73 percent, goods-producing industries made up 16 percent, and the government sector contributed 11 percent to GDP.

In 2023, of the services-providing industry, the *Real estate, rental and leasing sector* contributed 12.5 percent in the state's GDP while *Educational services* contributed 1.2 percent. In the goods-producing industry, *Manufacturing* contributed 12.0 percent and *Mining, quarrying, and oil and gas extraction* contributed 0.3 percent to Missouri's GDP.

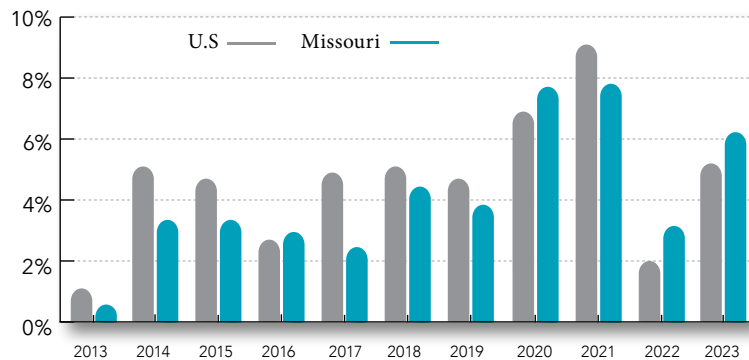
Gross Domestic Product by metropolitan statistical area (MSA) measures the percentage of contribution by MSA to Missouri's total GDP. In 2022, the highest real GDP contribution was from the St. Louis, MO-IL Combined MSA (\$178.66 billion), followed by the Kansas City, MO-KS MSA (\$145.95 billion), and the Springfield, MO MSA (\$22.23 billion). The St. Louis and Kansas City MSAs do cross state boundaries, with only a portion of the GDP attributed to each state.

By county, St. Louis County was the leading contributor to Missouri's GDP in 2022 at \$88.66 billion, followed by Jackson County (\$49.96 billion), St. Louis City (\$30.74 billion) and St. Charles County (\$19.43 billion).

Missouri Real Gross State Product Annual Growth Rate



Personal Income Annual Growth Rate



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TOTAL PERSONAL INCOME

Total personal income includes the wages and salaries of workers and other income received, such as dividends, interest, rent, and transfer payments. Incomes are reported before the deduction of taxes.

Transfer payments are monies paid out by the government to individuals through Social Security, disability insurance, Medicare, unemployment insurance compensation, veterans' benefits, education and training assistance programs (such as Pell Grants), and low-income assistance benefits.

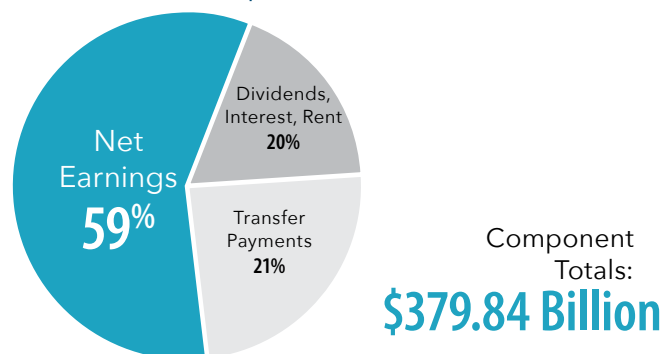
In 2023, Missouri's total personal income was \$379.84 billion, a 6.3 percent increase over 2022. The nation's personal income increased by 5.2 percent to \$22.95 trillion. California led the nation in total personal income, exceeding \$3.13 trillion. Texas, New York, Florida, and Illinois were also in the top five states for total personal income.

Among surrounding states, Missouri had the largest percent increase (6.3%) in personal income from 2022 to 2023. Total personal income in Nebraska increased by 6.1 percent over the year, followed by Tennessee (5.8%), Kansas (5.6%), Kentucky (5.0%), Oklahoma (4.8%), Illinois (4.6%), Arkansas (4.0%), and Iowa (3.7%).

Net earnings accounted for 59 percent of Missouri personal income in 2023. Transfer payments accounted for 21 percent and dividends, interest, and rent accounted for 20 percent. In the U.S., 62 percent of personal income was accounted for by net earnings, 18 percent by transfer payments, and 20 percent by dividends, interest, and rent.

St. Louis County had the highest personal income in the state in 2022 with \$92.5 billion, a 5.9 percent increase from 2021. Jackson County (\$38.09 billion) and St. Charles County (\$26.7 billion) had the next highest personal income, and a 1.2 percent and 4.6 percent increase from 2021, respectively. Morgan County had the largest percent increase in personal income, with an 8.9 percent increase over 2021. McDonald County (7.7%) and Barry County (6.5%) also had large percent increases.

Missouri Components of Personal Income



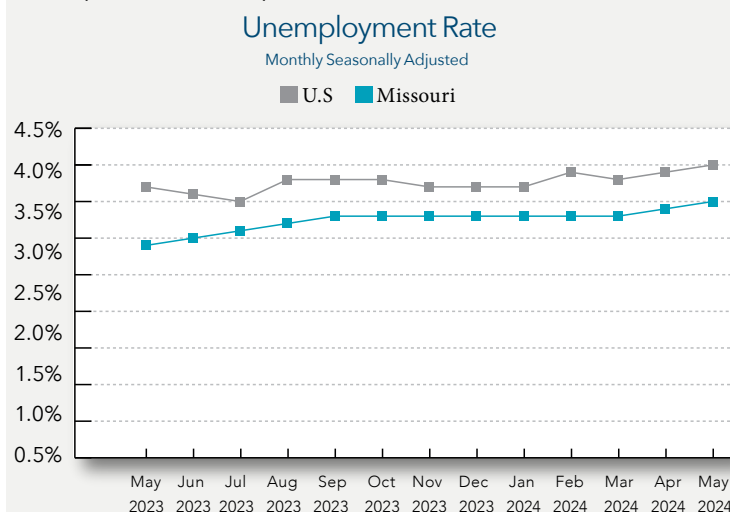
SOURCE: U.S. BUREAU OF ECONOMIC ANALYSIS, 2023

Per capita personal income is a rough indicator of the economic well-being of an area's residents. Per capita personal income is total personal income divided by total midyear population. The per capita personal income in Missouri in 2023 was \$61,302, a 6.0 percent increase from 2022. Nationally, per capita income was \$68,531, a 4.7 percent increase over the previous year. In this analysis, per capita income is presented in nominal dollars, which means it has not been adjusted for inflation. While the state's per capita income is lower than the national average, so is the cost of living. In 2024, Missouri ranked sixth in the lowest cost of living among all states.

In 2021, St. Louis County had the highest per capita income in the state at \$93,405, followed by Platte County (\$68,510), St. Charles County (\$64,563), and Holt County (\$60,269).

UNEMPLOYMENT

The unemployment rate measures the number of persons out of work but actively seeking employment relative to the civilian labor force. The seasonally adjusted unemployment data over last 12 months (May 2023 to May 2024) shows a stable trend in the unemployment rates both in the U.S. and in Missouri. In Missouri, the unemployment rate ranged between 2.9 and 3.5 percent over the last 12 months while in the U.S. it ranged from 3.4 to 4.0 percent. An unemployment rate of 3 to 5 percent is considered healthy for the economy.



SOURCE: U.S. DEPARTMENT OF LABOR, BUREAU OF LABOR STATISTICS, LOCAL AREA UNEMPLOYMENT STATISTICS, SEASONALLY ADJUSTED

During 2022, Missouri's unemployment rate reached the lowest rate in the history of the series since collection began in 1976. The unemployment rate has increased, but remains low, an indicative of a tight labor market.

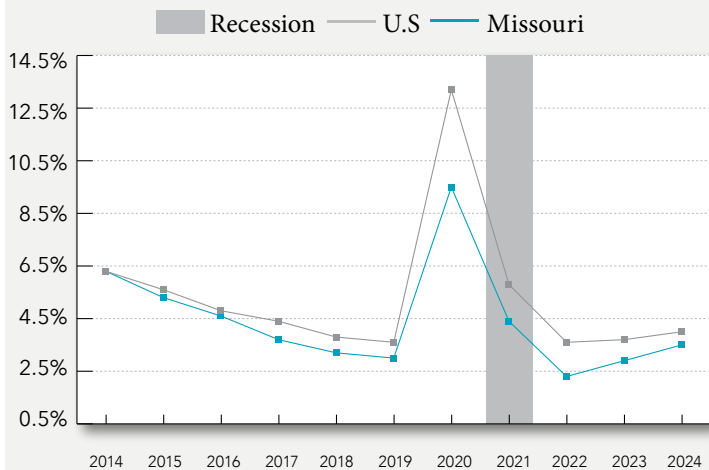
As of May 2024, the nation's seasonally adjusted unemployment rate was 4.0 percent, a slight increase from May 2023 (3.7%) and May 2022 (3.6%). Similarly, Missouri's seasonally adjusted unemployment rate in May 2024 was 3.5 percent, an increase from May 2023 (2.9%) and from May 2022 (2.3%).

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The annual average not seasonally adjusted unemployment rate for both the nation and Missouri has been declining since 2013, increasing significantly in 2020, and continuing the downwards trend since then, indicating recovery from the pandemic and ongoing economic strength.

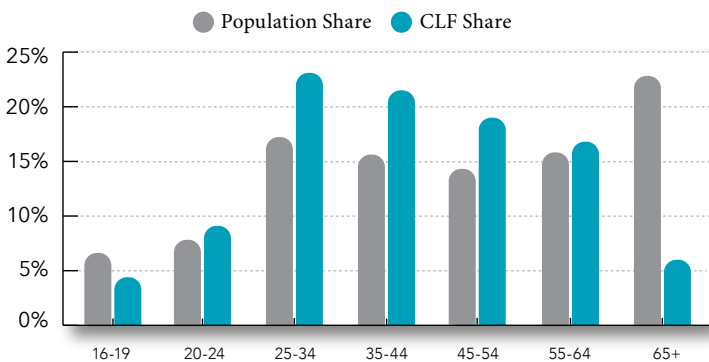
Unemployment Rate

Month of May, Year-Over-Year
Seasonally adjusted Unemployment Rate



SOURCE: U.S. DEPARTMENT OF LABOR, BUREAU OF LABOR STATISTICS, LOCAL AREA UNEMPLOYMENT STATISTICS

Missouri Population and Labor Force by Age Cohort



SOURCE: U.S. BUREAU OF LABOR STATISTICS, LOCAL AREA UNEMPLOYMENT STATISTICS, EMPLOYMENT STATUS, JANUARY 2023-DECEMBER 2023 (BASED ON CPS)

Missouri's LFPR reached the highest peak of close to 70 percent in late 1990's to early 2000's. This rate has been declining steadily since 2002, staying close to 64 percent in 2018, 2019, and 2020. May 2020 was the lowest LFPR for Missouri at 59.6 percent, reflecting the impact of the COVID-19 pandemic. Recently, Missouri's LFPR has averaged close to 63 percent, with 63.3 percent in April 2024 and 63.4 percent in May 2024. Missouri's LFPR has been higher than the national average for more than a decade.

CIVILIAN LABOR FORCE

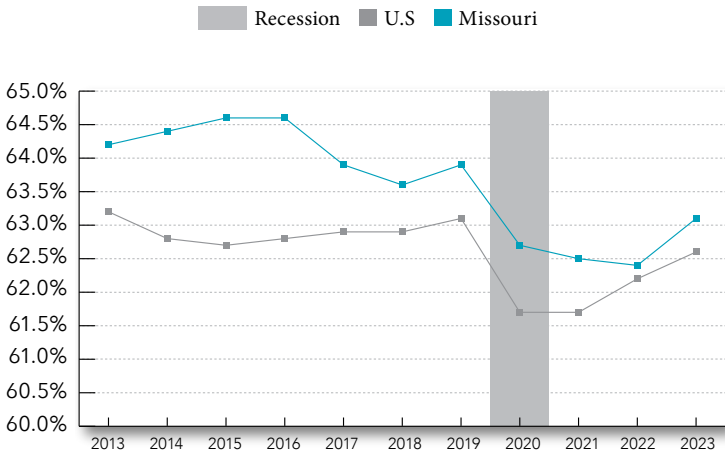
The civilian labor force is defined as the number of non-institutionalized persons aged 16 years and older who are either gainfully employed or are unemployed but actively seeking work. The civilian labor force in Missouri totaled over three million in 2023. In May 2024, Missouri's seasonally adjusted labor force totaled 3,121,164 with a labor force participation rate (LFPR) of 63.4 percent. The LFPR is the ratio of the civilian labor force to the population.

In May 2024, 61.2 percent, or 3,011,658 of Missouri's civilian non-institutionalized population, were employed, and only 3.5 percent of labor force, or 109,380, were unemployed. The remaining portion of the population were either not seeking work or have exited the workforce.

According to data from the U.S. Bureau of Labor Statistics (BLS), in 2023, the 35 to 54 age cohort comprised 29.9 percent of Missouri's population and 40.4 percent of its civilian labor force. The 65+ age cohort made up 22.8 percent of the population and 6.0 percent of the civilian labor force.

The national LFPR peaked in the 1990s at 67 percent, where it seemed to stabilize. However, since 2001 the LFPR has been falling, staying at 62 percent in 2022 and above 62.5 percent in most of 2023 and early 2024.

Civilian Labor Force Participation Rates



SOURCE: U.S. BUREAU OF LABOR STATISTICS, LOCAL AREA UNEMPLOYMENT STATISTICS

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NONFARM PAYROLL EMPLOYMENT

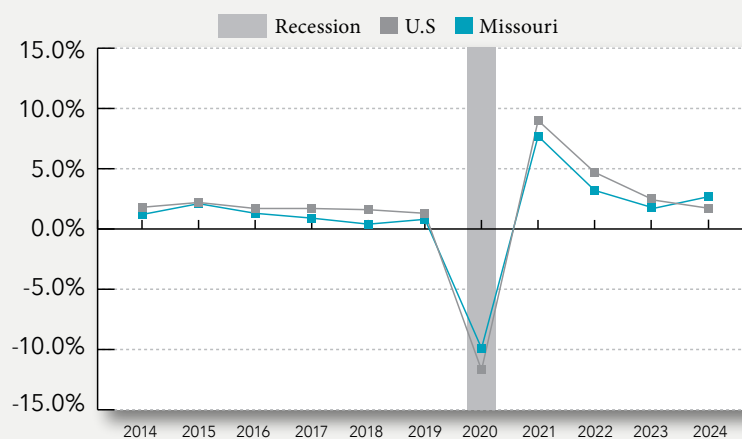
Nonfarm payroll employment is the estimate of employment in the nonagricultural sector of the economy. Payroll employment grew steadily in the 2010s. Following the brief, but significant, economic decline due to the COVID-19 pandemic in 2020, payroll employment has since recovered and continues to grow. In May 2024, national nonfarm payroll employment totaled more than 158.5 million. This was an increase of 1.8 percent compared to May 2023, representing more than two million jobs.

Statewide, Missouri's nonfarm seasonally adjusted payroll employment topped just over three million in May 2024, representing an increase of 2.8 percent, or 82,000 jobs, compared to May 2023. Missouri nonfarm employment followed a similar trend as the U.S.

Not seasonally adjusted annual data shows that from 2022 to 2023, there was 3.53 million nonfarm payroll employment gains (2.3%) nationally and 54,000 (1.8%) in Missouri.

Payroll Employment Annual Growth Rate

U.S. and Missouri Seasonally Adjusted
Nonfarm Payroll Employment
Annual Growth Rate, May 2014 to May 2024



SOURCE: BUREAU OF LABOR STATISTICS, CES, ACCESSED MAY 2024

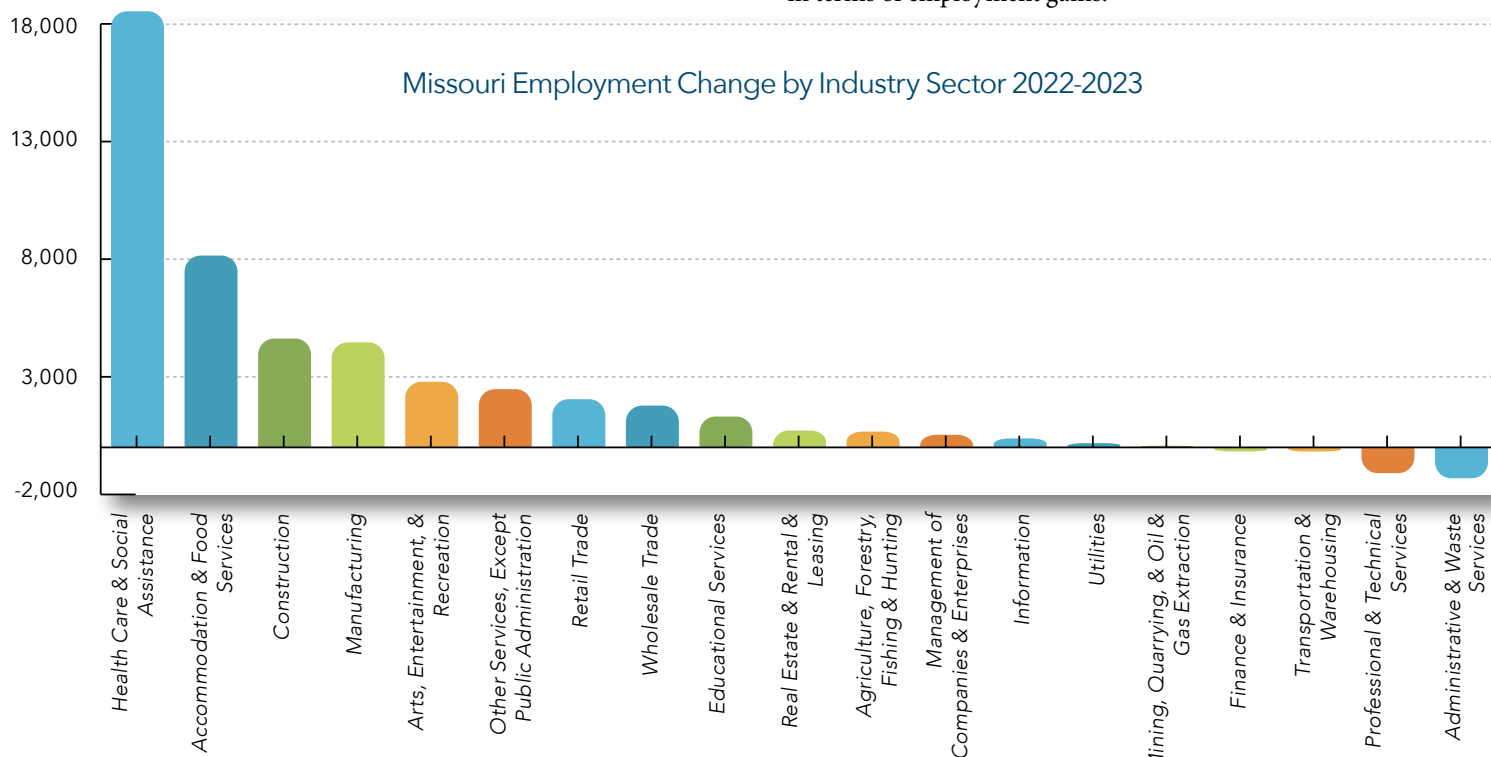
EMPLOYMENT CHANGE BY INDUSTRY

Employment change by industry identifies the types of jobs being created within industries in the state. An increase in the employment indicates a greater need within that industry sector; however, some industries behave more cyclically, growing during economic expansion and decreasing in times of economic slowdown or contraction. An increase or decrease in the industry employment not only helps in identifying the types of occupational job changes that are occurring within the industrial sectors but also in highlighting the industries that are expanding or hiring.

The annual change in employment from 2022 to 2023 shows growth in most industries in Missouri. Missouri industry employment increased by more than 45,000 nonfarm employments from 2022 to 2023. All industry sectors except *Finance and Insurance*; *Transportation and Warehousing*; *Professional and Technical Services*; and *Administrative and Waste Services* gained employment from 2022 to 2023.

The *Administrative and Waste Services* industry sector had the greatest employment decline between 2022 and 2023. *Health Care and Social Assistance* (18,536); *Accommodation and Food Services* (8,153); and *Construction* (4,628) were the top three industry sectors in terms of employment gains.

Missouri Employment Change by Industry Sector 2022-2023



SOURCE: BUREAU OF LABOR STATISTICS, QUARTERLY CENSUS OF EMPLOYMENT & WAGES

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LARGEST GROWTH INDUSTRIES

Projected growth by industry help identify future employment needs for an area. Projections indicate that the largest numerical employment growth in Missouri between 2022 and 2032 will be in the *General Medical and Surgical Hospitals; Individual and Family Services; Computer Systems Design and Related Services; Warehouse Clubs, Supercenters, and Other General Merchandise Retailers; and Management of Companies and Enterprises industries.*

MISSOURI INDUSTRIES WITH THE LARGEST PROJECTED GROWTH 2022-2032				
INDUSTRY	EMPLOYMENT		CHANGE 2022-2032	
	2022 EST.	2032 PROJ.	NUMERIC	PERCENT
General Medical and Surgical Hospitals	143,053	158,027	14,974	10.5%
Individual and Family Services	68,719	78,731	10,012	14.6%
Computer Systems Design and Related Services	45,013	54,889	9,876	21.9%
Warehouse Clubs, Supercenters, and Other General Merchandise Retailers	57,209	66,065	8,856	15.5%
Management of Companies and Enterprises	59,607	65,380	5,773	9.7%
Specialty (except Psychiatric and Substance Abuse) Hospitals	15,226	20,915	5,689	37.4%
Restaurants and Other Eating Places	203,397	208,912	5,515	2.7%
Warehousing and Storage	25,020	29,191	4,171	16.7%
Agencies, Brokerages, and Other Insurance Related Activities	33,567	37,511	3,944	11.8%
Semiconductor and Other Electronic Component Manufacturing	8,420	11,802	3,382	40.2%

SOURCE: MERIC INDUSTRY PROJECTIONS, 2022-2032

ONLINE JOB POSTINGS

Job postings are an indicator of demand and opportunities in an area and can assist individuals seeking job opportunities in current in-demand occupations. According to information based on online job posting data collected and aggregated by Lightcast™, a variety of occupations have had a high number of job postings in the state from May 1, 2023, to April 30, 2024. *Registered Nurses* had the most online job postings in any category during the last year.

OCCUPATION TITLE	ONLINE JOB POSTINGS
NOW OCCUPATIONS	
Retail Salespersons	20,490
Customer Service Representatives	12,380
Laborers & Freight, Stock, & Material Movers, Hand	10,890
Home Health & Personal Care Aides	9,390
Secretaries & Administrative Assistants	9,130
NEXT OCCUPATIONS	
Heavy & Tractor-Trailer Truck Drivers	15,920
First-Line Supervisors of Retail Sales Workers	13,200
Licensed Practical & Licensed Vocational Nurses	11,580
Maintenance & Repair Workers, General	9,030
Sales Representatives, Wholesale & Manufacturing	8,760
LATER OCCUPATIONS	
Registered Nurses	58,290
Software Developers	10,180
General & Operations Managers	9,550
Computer Occupations, All Other	9,050
Medical & Health Services Managers	7,610

SOURCE: LIGHTCAST™, ONLINE JOB ADS FROM MAY 1, 2023 TO APRIL 30, 2024